

# **CITY OF HUNTINGTON PARK**

Community Development Department  
Oversight Board Agenda Report

September 28, 2015

Honorable Chair and Members of the Oversight Board to the Successor Agency  
of the City of Huntington Park  
6550 Miles Avenue  
Huntington Park, CA 90255

Dear Members of the Oversight Board to the Successor Agency of the  
Community Development Commission of the City of Huntington Park:

## **RESOLUTION APPROVING AN ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY FOR THE SIX-MONTH PERIOD OF JUNE 1, 2016 THROUGH JULY 30, 2016**

### **IT IS RECOMMENDED THAT THE SUCCESSOR AGENCY:**

Adopt a Resolution approving an administrative budget for the Successor Agency  
for the six-month period of January 1, 2016 to June 30, 2016.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The Redevelopment Dissolution Law requires the Successor Agency to prepare an administrative budget and a Recognized Obligation Payment Schedule ("ROPS") for each six-month fiscal period, both of which must be submitted to the Oversight Board for approval. Staff has prepared ROPS 15-16B for the Oversight Board's approval at this meeting as a separate agenda item. Staff recommends that the Board also approve Administrative Budget 15-16B on the same date as the Board's approval of ROPS 15-16B.

The Redevelopment Dissolution Law is unclear regarding the required timing for the submission of the proposed administrative budget to the Oversight Board. However, because the Successor's Agency's administrative expenditures also have to be reflected on the ROPS, Administrative Budget 15-16B and the ROPS for the same period ("ROPS 15-16B") should be consistent.

The Oversight Board must take action by resolution and must provide the State Department of Finance (DOF), by electronic means, written notice and information about the Oversight Board's action. It is important to note that the

The attached administrative budget provides additional information regarding personnel costs, benefits, indirect expenses, legal fees totaling \$125,000.

**RESOLUTION APPROVING AN ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY FOR THE SIX-MONTH PERIOD OF JANUARY 1, 2016 THROUGH JUNE 30, 2016**

September 28, 2016

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General administrative personnel expenses are costs associated with the general administration and operations of the Successor Agency (i.e. preparation and payment of obligations listed in the ROPS, preparation of agendas, minutes, and staff reports for meetings with the Successor Agency and Oversight Board, etc).

**FISCAL IMPACT/FINANCING**

The Redevelopment Dissolution Law provides for the Successor Agency to receive an Administrative Cost Allowance of not less than \$250,000 for any fiscal year unless the Oversight Board reduces this amount. The allowances are subject to reduction if there are insufficient funds to pay the Successor Agency's enforceable obligations. If funds are available after meeting all payments listed in the ROPS, the Successor Agency will reimburse the general fund for administrative expenses incurred by the City.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Under the Redevelopment Dissolution Law, an "Administrative Cost Allowance" is paid to the Successor Agency from property tax revenues allocated by the County Auditor-Controller. The Administrative Cost Allowance is defined as an amount, subject to the approval of the Oversight Board, which is up to 3% of the property tax allocated for enforceable obligations from the Redevelopment Property Tax Trust Fund by the County Auditor-Controller. The amount shall not be less than \$250,000 for any fiscal year unless the Oversight Board reduces this amount. The Administrative Cost Allowance is subject to reduction if there are insufficient funds to pay the enforceable obligations as listed on the ROPS. The Successor Agency is required to submit each proposed administrative budget to the Oversight Board for its approval and then to the County Auditor-Controller and DOF for final approval.

**CONCLUSION**

Upon approval, the Administrative Budget will be forwarded to the County-Auditor Controller and DOF.

Respectfully submitted,



JAN MAZYCK  
Interim Finance Director

**Attachments:**

S:\Jpa's and Npc's\RDA Oversight Boards\Oversight Boards\Huntington Park\09-28-15\Item No. 2 Staff Report Admin Budget Reso OSB.doc  
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**RESOLUTION APPROVING AN ADMINISTRATIVE BUDGET FOR THE  
SUCCESSOR AGENCY FOR THE SIX-MONTH PERIOD OF JANUARY 1, 2016  
THROUGH JUNE 30, 2016**

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A. Resolution

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RECITALS:

A. Pursuant to Health and Safety Code Section 34177(j), the Successor Agency to the Community Development Commission of the City of Huntington Park (the “Successor Agency”) must prepare a proposed administrative budget for each six-month fiscal period (commencing each January 1 and July 1) and submit each proposed administrative budget to the Oversight Board for the Successor Agency (the “Oversight Board”) for approval.

B. There has been presented to this Board for approval a proposed administrative budget for the Successor Agency for the six-month fiscal period from January 1, 2016 through June 30, 2016 (“Administrative Budget 15-16B”).

**NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY  
TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF HUNTINGTON  
PARK, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:**

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Oversight Board hereby approves the proposed Administrative Budget 15-16B substantially in the form attached hereto as Exhibit A.

Section 3. The staff of the Successor Agency is hereby directed to provide the State Department of Finance (“DOF”) written notice and information regarding the action taken by the Oversight Board in Section 2 of this Resolution. Such notice and information

1 shall be provided by electronic means and in a manner of DOF's choosing.

2       Section 4. The officers of the Oversight Board and staff of the Successor Agency  
3 are hereby authorized and directed, jointly and severally, to do any and all things which they  
4 may deem necessary or advisable to effectuate this Resolution.

5       **PASSED, APPROVED AND ADOPTED** this 28th day of September 2015.

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8 Chair

9 ATTEST:

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14 Estevan Padilla, Deputy Clerk  
15 Los Angeles County Board of Supervisors  
16 Acting as Secretary to the Huntington Park Oversight Board  
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**EXHIBIT A**

**Successor Agency to the Community Development Commission of  
the City of Huntington Park  
January 1, 2016 to June 30, 2016 Administrative Budget**

**Successor Agency Admin Budget**

<b>Staff (Salaries &amp; Benefits)</b>	<b>Hrs</b>	<b>% of Salary</b>	<b>Amount</b>
Executive Director	-	0%	-
Finance Director	215	15%	30,916
Finance Manager	83	4%	4,560
Community Dev Director (Vacant)	-	0%	-
Economic Development Manager	312	15%	22,021
Project Manager	437	21%	27,776
Senior Accountant	104	5%	<u>4,697</u>
<b>Subtotal</b>			<b>89,971</b>
Successor Agency Legal Fees			17,515
Oversight Board Legal Fees			<u>17,514</u>
<b>Subtotal</b>			<b>35,029</b>
<b>Total Expenses</b>			<b>125,000</b>

1 STATE OF CALIFORNIA )  
2 COUNTY OF LOS ANGELES ) SS  
3 CITY OF HUNTINGTON PARK )

4 I, Estevan, Secretary of the Oversight Board, DO HEREBY CERTIFY that the  
5 foregoing Oversight Board Resolution No. OSB 2015- 06 was duly adopted by the  
6 Oversight Board and approved by the Chair at a meeting of said Oversight Board held on  
7 the 28th day of September, 2015 and that it was so adopted as follows:

8  
9 AYES:

10 NOES:

11 ABSENT:

12 ABSTAINING:  
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16 \_\_\_\_\_  
17 Estevan Padilla, Deputy Clerk  
18 Los Angeles County Board of Supervisors  
19 Acting as Secretary to the Huntington Park Oversight  
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